

The implementation of relaxed address validation, however, does not address the other issue here, which is the question of the Street Address Guide (SAG) being out of sync with the addresses in the Customer Service Record (CSR). Ameritech contends it has no basis to believe that a significant number of order rejections occur as a result of alleged discrepancies between the CSR and the SAG databases.<sup>128</sup> There is no dispute, however, that rejections occur due to any such discrepancies. And, AT&T noted that synchronization has been successfully implemented elsewhere.<sup>129</sup> Since Lite Validation does not apply to all order types, there remains the possibility of order rejections due to CSR/SAG discrepancies. Staff believes that the Commission should order Ameritech to synchronize the two databases.<sup>130</sup>

The CLECs maintain that the rejection of their orders each time there is a difference in either format or content between the CSR and SAG leaves them at a competitive disadvantage. Staff agrees that the CLECs are in a competitive disadvantage in this situation because Ameritech retail representatives do not encounter the problem and the order rejections affect the CLECs ability to deliver service to Illinois residents in a timely manner. After getting a rejection, the CLECs have to resubmit the order in its entirety. The resubmission cannot happen until the rejected order is received. A lack of synchronization between the CSR and SAG databases at Ameritech's end is the apparent reason for this occurrence. The lack of synchronization effectively denies the CLECs opportunity for real time validation.

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<sup>128</sup> Ameritech Illinois Initial Comments at 37-38; Tr. at 720.

<sup>129</sup> AT&T Initial Comments at 28-29.

<sup>130</sup> Staff has not proposed a specific deadline for synchronization. However, AT&T has proposed that synchronization be accomplished by March 2001. (AT&T Exhibit 1, FMO, Section C, Ordering at 52 -53.)

The Staff recommends that SBC/Ameritech should conduct address validation with the CLECs at the same time CLECs want the information since it appears from all submissions that the same information or databases are what SBC/Ameritech relies on for its retail representatives. If SBC/Ameritech cannot provide a synchronization that guarantees the CLECs equal and reliable information just as it provides its sales representatives, serious doubt exists as to whether Ameritech's databases are competitively neutral. The Staff recommends that this disparity be eliminated and action be taken to correct any competitive drawbacks these unsynchronized databases may engender. SBC/Ameritech should make the two databases to seamlessly interface with each other.

#### E. STAFF'S RECOMMENDATIONS

Staff has already articulated, *supra*, the legal basis for its position regarding the Commission's authority to impose remedies for carrier non-compliance with Commission holdings. Staff, therefore, recommends that the Commission provide notice to SBC/Ameritech in the prefatory portion of the Final Order derived from this proceeding that any failure by SBC/Ameritech to comply with the OSS related deadlines it has committed to in this arbitration can be considered an "impediment to competition" within the meaning of Sections 13-514 and 13-515 of the Illinois Public Utilities Act.

Staff recommends that the Commission require SBC/Ameritech to provide monthly reports to Commission Staff on the progress of its implementation of Lite address validation as well as the synchronization of the CSR and SAG databases.

The Commission should also direct that those reports be verified by an SBC/Ameritech Officer. Specifically, the Commission should order SBC/Ameritech to provide a report to the Commission no later than the 15<sup>th</sup> of each month. The report shall include a comprehensive and detailed evaluation of the project plan being used to track and manage the implementation of the list address validation initiative as well as the project to synchronize the CSR and SAG databases. The project plans should include all major milestones related to the project along with the estimated and actual target dates for each milestone. Any changes from the previous monthly report regarding planning assumptions or schedule changes should also be noted and an explanation should be provided for those changes. The overall impact of any such changes on the projects should also be clearly identified and reported to the Commission. Staff believes the aforementioned report will inform the Commission and the CLECs as to Ameritech's progress toward meeting its committed implementation date.

Staff recommends that the Commission mandate the following actions:

- a) Lite Validation be implemented no later than December 2000.
- b) Lite Validation be extended to apply to line sharing orders, and that be accomplished by December 2000.
- c) Ameritech synchronize its CSR and SAG databases.
- d) Ameritech and the CLECs should maintain accurate records of error rates including the number of rejections by error type.
- e) Ameritech should provide monthly reports as detailed above.

## **Issue #18: Flow Through**

### **A. ISSUE**

Flowthrough as defined by the performance measurement collaborative related to OSS is any order that is electronically received from a CLEC and processed through Ameritech's ordering interface into ACIS (the SBC/Ameritech service order system) without manual intervention.

### **B. CLEC POSITION**

The CLECs describe flowthrough as the ability of CLECs to electronically flowthrough SBC/Ameritech's legacy systems to the same extent as SBC/Ameritech's retail orders.<sup>131</sup> The CLECs note that not all of their orders flowthrough, but instead some portion of their orders drop out of the electronic process for varying degrees of manual intervention.<sup>132</sup> Manual intervention in the ordering process brings into play a myriad of potential errors that can be caused through human error.<sup>133</sup> Experiences in New York confirm that an inordinate amount of manual processing cannot sustain a commercially viable offering in the marketplace.<sup>134</sup> In the CLEC's view, the extent to which orders are processed electronically is a product of decisions made by SBC/Ameritech.<sup>135</sup>

Based on the information provided by SBC/Ameritech, the CLECs consider the

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<sup>131</sup> AT&T's Initial Comments at 21.

<sup>132</sup> Id. at 21-22.

<sup>133</sup> Id. at 22.

<sup>134</sup> Id. at 22-23.

<sup>135</sup> Id. at 22.

Company's flowthrough capabilities to be far below that required to sustain a competitive market.<sup>136</sup> As an example, the CLECs note that loop orders with number portability (one of the most common types of CLEC orders) do not flowthrough.<sup>137</sup> The CLECS assert that, other than certain types of DSL, UNE-P and resale orders, SBC/Ameritech has indicated it has no plans whatever to improve its flowthrough capabilities for any type of unbundled element orders, including loop and number portability orders.<sup>138</sup> Furthermore, the CLECs contend that flowthrough improvements to the types of orders Ameritech has agreed to improve, will have little effect on competition since such types of orders have been either unavailable in Illinois (UNE-P) or largely abandoned (resale) as entry mechanisms into the telecommunications market.<sup>139</sup>

In the CLECs' estimation, it is incumbent upon SBC/Ameritech to enhance the rates of flow-through for CLEC orders to the level of its retail flowthrough – i.e., CLEC flowthrough rates should be at parity with retail flowthrough experience<sup>140</sup> To accomplish this goal, the CLECs argue that SBC/Ameritech should publish the flow-through types and exception lists monthly and identify which exceptions will be removed in the next software release.<sup>141</sup> The CLECs further recommend that the Commission require SBC/Ameritech to make significant and traceable progress in improving flowthrough for unbundled element orders.<sup>142</sup> As a start, the CLECs urge the Commission to direct SBC/Ameritech to remove flowthrough exceptions for unbundled

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<sup>136</sup> Id. at 23.

<sup>137</sup> Id.

<sup>138</sup> AT&T's Initial Comments at 23.

<sup>139</sup> Id. at 23-24.

<sup>140</sup> Id. at 24.

<sup>141</sup> Id.

element orders by at least 50% within one year, and further to measure the flowthrough rate for all CLEC orders received so that this aggregate result can be compared to the flowthrough rates for flow-through eligible orders, as well as disaggregate this data by product type so that the CLECs, SBC/Ameritech, and the Commission can more easily identify the areas where flowthrough improvement is necessary.<sup>143</sup>

### C. SBC/AMERITECH POSITION

Ameritech witness Gilles defines "flowthrough" as being "an order being received by the electronic ordering interface and then processed . . . in to its service order system without manual intervention."<sup>144</sup> Ameritech argues that for all retail orders, the process of translation from customer request to internal service order is performed manually by the customer service representative.<sup>145</sup> In contrast, for wholesale orders, the editing of a received Local Service Request ("LSR") and its translation into one or more internal service orders is sometimes performed wholly mechanically and sometimes with manual assistance.<sup>146</sup>

Ameritech posits that in order to make it possible for a service order to flowthrough, Ameritech must program its ordering interface system to reproduce the knowledge and practices of its service representatives for the many different situations they encounter daily.<sup>147</sup> According to Ameritech, in some cases a routine operation performed by service representatives many times daily can be simply programmed

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<sup>142</sup> Id.

<sup>143</sup> AT&T's Initial Comments at 24-25.

<sup>144</sup> Tr. at 432.

<sup>145</sup> Ameritech Initial Comments at 40.

<sup>146</sup> Id.

<sup>147</sup> Id. at 41.

while in other cases an operation may be performed very rarely and that changes frequently may be very difficult to program.<sup>148</sup>

Still, even though significant effort is required to effect additional flowthrough, Ameritech claims that flowthrough initiatives are an important part of its OSS enhancement process.<sup>149</sup> Ameritech points to planned and completed flowthrough initiatives<sup>150</sup> which, it contends immediately increase the level of flowthrough of resale orders and create the foundation for further future flowthrough enhancements.<sup>151</sup> Ameritech contends that existing performance measures and drive for internal operational efficiencies provide sufficient incentive for it to continue its program of flowthrough improvement.<sup>152</sup> In Ameritech's view, these same performance measures will allow the Commission, the CLECs and Ameritech Illinois to continue to monitor the effectiveness of these flowthrough improvements over time.<sup>153</sup> However, Ameritech offers the caveat that the selection of flowthrough initiatives must be made based on technical feasibility, estimates of impact on both CLECs and Ameritech Illinois, and current and future order volumes affected.<sup>154</sup>

Ameritech also states that it has involved CLECs in discussions regarding flowthrough enhancements through Change Management meetings beginning in April,

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<sup>148</sup> Ameritech Initial Comments at 41.

<sup>149</sup> Id.

<sup>150</sup> Two flowthrough enhancements associated with unbundled network element ordering are scheduled for completion yet this year. The first is an enhancement to flowthrough of Combined Platform Offering, Ameritech Illinois' UNE-P product in Illinois, scheduled for October 2000. This enhancement was scheduled as a result of CLEC activity forecasts. The second, flowthrough of xDSL loop orders and orders for line-sharing (HFPL), came as a result of CLEC input during the SBC/Ameritech Advanced Services POR collaboratives, and is scheduled for December, 2000. See Ameritech Initial Comments at 41.

<sup>151</sup> Ameritech Initial Comments at 41.

<sup>152</sup> Id. at 42.

<sup>153</sup> Id.

<sup>154</sup> Id.

2000.<sup>155</sup> Further, Ameritech offers that information regarding flowthrough exceptions has been developed and distributed, that scheduled flowthrough initiatives are now included on the enhancement list that is shared with CLECs and that release announcements are also made to CLECs in advance of the installation of these releases.<sup>156</sup>

#### D. STAFF POSITION

##### **Staff's position has not changed.**

It appears that both SBC/Ameritech and the CLECs agree that flowthrough rates and capabilities should be improved over time.<sup>157</sup> The Staff supports the CLECs' position that flowthrough capabilities and rates should be improved, to the extent practical, to the point where they are comparable with the flowthrough rate of SBC/Ameritech's retail orders. Accordingly, Staff believes that implementing the CLEC position would be beneficial to all parties, would be non-discriminatory, and would be likely to stimulate competition. With this in mind, the only real questions to be resolved with respect to flowthrough capability are related to how quickly flowthrough can be achieved and for what categories of service, the degree of improvement required, and finally, the type of information Ameritech needs to convey to the CLECs and to the Commission in order to permit effective evaluation of the progress achieved.

The Staff recognizes SBC/Ameritech's apparent willingness to undertake new flowthrough initiatives. Further, the Staff also concurs with SBC/Ameritech's statement

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<sup>155</sup> Id. at 41.

<sup>156</sup> Ameritech Initial Comments p. 41-42.

<sup>157</sup> See, for example Ameritech Initial Comments p. 42. ("...flowthrough initiatives are an important part of Ameritech Illinois' OSS enhancement process.")



that the implementation of increasingly efficient flowthrough processes is in the Company's own interest. SBC/Ameritech itself recognizes that it is not the only entity with a stake in this matter. As competition increases and the total number of orders to be processed also increases, manual intervention in processing orders may well have a significant negative impact on competition due to the increased likelihood of error in manually processed orders. The CLECs observe that this is an issue of grave importance to them, and the Staff considers that the matter of flowthrough, if efficiently resolved, has the likelihood of contributing to a substantial increase in competition in Illinois. Consequently, the Staff believes that close oversight of SBC/Ameritech's improvements and initiatives is warranted.

Staff would also point out that although Ameritech is making progress in the area of enhancements, there is still considerable uncertainty as to the sufficiency of its efforts in this regard. For example, the Ameritech witness could not provide how many "elimination of exceptions" enhancements were and will be provided by Ameritech pursuant to flowthrough enhancements.<sup>158</sup> In fact, Ameritech witness Gilles indicated that Ameritech had not yet determined what enhancements it will do in 2001.<sup>159</sup> Thus he could not say whether there would be enhancements for UNEs or that there are plans for such enhancements.<sup>160</sup>

Moreover, Staff is concerned regarding the standards employed by the Company in deciding whether to offer flowthrough enhancements. The record indicates that Ameritech's interconnection services business unit, OSS organization decides what

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<sup>158</sup> Tr. at 438.

<sup>159</sup> Id.

<sup>160</sup> Tr. at 438-39.

exceptions get eliminated.<sup>161</sup> Ameritech contends that the selection of flowthrough initiatives must be made based on technical feasibility, estimates of impact on both CLECs and Ameritech Illinois, and current and future order volumes affected.<sup>162</sup> However, it is difficult to see from the record just how the Company is making its decisions in a way which takes into account the interests of any entity other than itself. In fact, with regard to the Company claim that existing performance measures and drive for operational efficiencies provide sufficient incentive for Ameritech Illinois to continue its program of flowthrough improvement, the witness merely stated that its improvement of flowthrough rates is disconnected from the impact on a CLEC.<sup>163</sup> In this regard the experience of McLeod is instructive. A primary platform used by McLeod USA is to provide local service to resale Centrex Service.<sup>164</sup> In considering whether to eliminate the exceptions question for Centrex a major component would be complexity.<sup>165</sup> Even though Ameritech believed it to be true that ordering Centrex always results in the order falling out to manual, Ameritech's witness admitted there are no current plans on Ameritech's part to eliminate the Centrex fall out to manual.<sup>166</sup> Moreover, Ameritech's witness was unaware of any way for a CLEC to expedite the process of eliminating the Centrex exception.<sup>167</sup>

CLECs believe Ameritech's flowthrough enhancements proposals are not adequate because they do not know what those enhancements mean in terms of order

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<sup>161</sup> Tr. at 506.

<sup>162</sup> Id.

<sup>163</sup> Tr. at 530

<sup>164</sup> Tr. at 464.

<sup>165</sup> Tr. at 465-66.

<sup>166</sup> Tr. at 467-68, 470

<sup>167</sup> Tr. at 470

types that are involved for those products.<sup>168</sup> There is a great deal of uncertainty surrounding potential flowthrough enhancements.<sup>169</sup> For example, the CLECs do not know the extent to which there are exceptions for the order types for those products that will become manifest once the enhancements are implemented.<sup>170</sup> They consider themselves to be blind to what the enhancements mean.<sup>171</sup> The CLECs demonstrated in the 12 month view that there were several change request numbers, with respect to UNE/P business flowthrough enhancement. The CLECs stated they had not seen these change requests and do not have access to them because they are internal to Ameritech.<sup>172</sup> Therefore the CLECs do not know the depth of the enhancement in terms of order types, and do not know the depth of those enhancements or exceptions for the order types that are designed to flowthrough.<sup>173</sup> Accordingly, the CLECs believe they are blind to anything except the one-liner on the 12 month view. The problem is in the details.

Moreover, there is testimony indicating that there is nothing a CLEC has asked for which is being implemented. As one CLEC witness testified, asking for input is very appropriate, however CLECs have not seen any implementation following requests for prioritization.<sup>174</sup> For example, the CLECs do not consider the October enhancement to be reflective of or responsive to any CLEC issue raised in the collaborative.<sup>175</sup>

SBC/Ameritech provided testimony during the hearing suggesting that retail order processing did not provide an appropriate analog to the CLEC wholesale order

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<sup>168</sup> Tr. at 549-50.

<sup>169</sup> Tr. at 549-550.

<sup>170</sup> Tr. at 550.

<sup>171</sup> Id.

<sup>172</sup> Tr. at 549-550.

<sup>173</sup> Tr. at 551.

processing, and therefore could not be adequately compared.<sup>176</sup> The CLECs disagreed with SBC/Ameritech's position, as indicated by their detailed testimony expressing how they viewed the analog between wholesale and retail order processing. The CLECs further provided their interpretation of parity with regard to flow-through.<sup>177</sup>

#### E. STAFF'S RECOMMENDATION

Staff agrees with the CLECs' position on this issue and recommends that the Commission direct the parties to collaborate on a common definition similar to that proposed by the CLECs. In addition, Staff recommends that Ameritech be required to take into account the needs of the CLECs in prioritizing any removal of flowthrough exceptions, commencing with those types of products that have the greatest impact on competition. As an initial measure, Staff recommends that Ameritech be required to substantially reduce the flowthrough exceptions for unbundled element orders within twelve months after the order in this arbitration is approved. AT&T has proposed that exceptions to flowthrough for unbundled elements be reduced by 50% within twelve months. Staff believes that the determination as to what percentage of flowthrough exceptions would constitute a substantial reduction should be made after reviewing the information required of Ameritech in Staff's recommendations set forth above. Regardless of the rate of reduction ordered by the Commission, Staff believes that the overall goal should be to achieve substantial and continuous progress over time in flowthrough capability so as to accomplish, to the extent practical, relative parity

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<sup>174</sup> Tr. at 553.

<sup>175</sup> Tr. at 554.

<sup>176</sup> Tr. at 502-03

<sup>177</sup> Tr. at 542-49.

between CLEC and internal Ameritech orders.

Staff recommends that the Commission adopt the following portions of the CLECs' proposal regarding reporting requirements: (i) Ameritech should continue to provide to the Commission Staff, on a monthly basis, detailed performance measures reflecting the improvement in flowthrough, as well as publishing monthly the flowthrough product types and a flowthrough exception list which identifies those exceptions Ameritech plans to remove in the next software release; (ii) Ameritech should, on a monthly basis, make available to the Commission Staff and the CLECs the flowthrough rate applicable to all CLEC orders so as to allow the CLECs and the Commission to analyze, among other things, what percentage of all CLEC orders are flowing through; (iii) Ameritech should disaggregate its flowthrough data by product type so that the CLECs and the Commission can more easily identify the areas where flow improvement is necessary; and (iv) Ameritech should be required to make significant progress in improving flowthrough capabilities.

All such reports required by the Commission to be filed under the foregoing paragraph should be verified by an officer of SBC/Ameritech.

#### **Issues # 29, 31: DSL Loop Qualification**

##### **A. ISSUE**

**CLECs want SBC/Ameritech to provide pre-ordering functionality to view the available spare loops for a particular address and to reserve a loop in advance of placing orders. Additionally, the CLECs want to view the configuration of a**

terminal so they can make an informed decision about which feeder cable/medium can best serve the customer. The functionality being requested by the CLECs is not currently included in the Plan of Record.

## B. CLEC POSITION

The CLECs set forth three specific requests relating to Ameritech's loop selection process<sup>178</sup>.

First, the CLECs request that Ameritech provide the CLECs with the spare loop availability functions available in its operational support systems<sup>179</sup>. The CLECs argue that the "ability to access such information is critical to allowing Covad and other CLECs to offer service broadly to Illinois consumers."<sup>180</sup> According to the CLECs, the loop qualification process Ameritech currently has in place restricts CLECs to offering the types of advanced services that only one particular loop can support<sup>181</sup>. Since each loop has different characteristics and is capable of offering different levels of service, the CLECs reason they should be made privy to information related to all available loops<sup>182</sup>.

Covad asks that the loop availability function it is requesting be provided by SBC/Ameritech by December 31, 2000<sup>183</sup>.

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<sup>178</sup> Note: Although Staff addressed a fourth issue, Lite Address Validation, as part of Issue (29) and (31) in its original comments, that issue is addressed separately as Issue # 13 in these Final Comments.

<sup>179</sup> See Covad Initial Comments at 5.

<sup>180</sup> Id. at 5.

<sup>181</sup> See id. at 6.

<sup>182</sup> See id. at 8.

<sup>183</sup> See id. at 9.

Second, the CLECs seek access to the loop reservation functionality in Ameritech's operational support systems<sup>184</sup>. According to the CLECs, although Ameritech's operational support systems currently reserves loops, this type of functionality is not offered to Illinois CLECs.<sup>185</sup> The CLECs contend that having loop reservation as a pre-ordering function will ensure that the loop used to qualify an order matches the loop actually provisioned. As the situation currently exists, a CLEC may find itself in the unenviable position of having promised a customer a certain type of service during the pre-ordering phase only to have to later inform that customer they cannot get the particular service they were promised because Ameritech actually provisioned a different loop.<sup>186</sup>

Third, the CLECs seek terminal configuration information which they claim is stored in Ameritech's OSS in order to determine what options they can offer their end-user customers<sup>187</sup>. The CLECs contend that the geographic location of an end-user customer can determine the type of facilities that serve that customer (i.e. copper facilities, fiber facilities or both).<sup>188</sup> According to the CLECs, significant differences exist in the manner and types of services a DSL provider may provide to a customer when the terminal is served by copper cable versus fiber cable.<sup>189</sup> As a result of these differences, it is vital that CLEC's have the ability to access the terminal configuration information stored in Ameritech's OSS to determine all available alternatives for

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<sup>184</sup> See Covad Initial Comments at 9.

<sup>185</sup> See id. at 10.

<sup>186</sup> Id. at 10.

<sup>187</sup> See id. at 11.

<sup>188</sup> Id.

<sup>189</sup> Id.

providing DSL service to a particular customer.<sup>190</sup> The CLECs demand that Ameritech offer CLECs access to the terminal configuration inquiry by December 2000<sup>191</sup>.

### C. SBC/AMERITECH POSITION

Ameritech asserts that the CLEC requests regarding the loop selection process are unnecessary and inappropriate.

First, Ameritech believes that the current process in place for selecting and assigning unbundled loops "yields the optimal loop available to satisfy the product/service" requested by the CLEC.<sup>192</sup> According to Ameritech, "the functions and processes proposed by Covad would have the loop inventory managed by each CLEC in an insufficient . . . fashion."<sup>193</sup> Moreover, SBC/Ameritech assigns loops that meet the minimum specifications of the service that is requested. As long as the minimum specifications are provided the existence of other loops is irrelevant. SBC/Ameritech contends that if a CLEC is looking for a higher minimum specification, they should request it and pay for it.<sup>194</sup>

Second, Ameritech believes that the real danger presented by the Covad proposal is that it promotes anti-competitive behavior. Allowing CLECs to reserve numerous loops for lengthy periods of time prohibits competitors (other CLECs) from making competitive bids on those same facilities.<sup>195</sup> Further, Ameritech points to an increasing trend of cancelled orders for unbundled loops. Since Ameritech believes this

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<sup>190</sup> Id.

<sup>191</sup> See Covad Initial Comments at 12.

<sup>192</sup> See Ameritech Initial Comments at 84.

<sup>193</sup> Id.

<sup>194</sup> See id. at 83.

<sup>195</sup> See id. at 84.



is a strong indication of end-users shopping for the best date or best price for their DSL service, reserving facilities will further exacerbate the situation.<sup>196</sup>

#### D. STAFF POSITION

##### **Staff's position on this issue has slightly changed.**

Loop qualification is available to the CLECs via Ameritech's pre-order local service request (LSR) process.<sup>197</sup> The current system in place selects "a single qualified compatible facility to an LSR predicated on data selected from specific fields on the service request that define the product/service being ordered."<sup>198</sup>

The CLECs feel they are entitled to access to view the make-up of all loops available to serve their end-user customers. Additionally, the CLECs want to have a choice in determining which loops are ultimately assigned. Staff agrees. As Staff stated in its Initial Comments, Ameritech should not be given authority to make a judgment call on behalf of a CLEC as to which loop may best serve the CLEC's end-user customer.<sup>199</sup>

More importantly, there is a real economic impact on the CLEC since the time and cost of performing conditioning activities to the loop is based upon the features of each particular loop. As the record clearly demonstrates, Ameritech charges for loop conditioning vary. Ameritech charges \$905.82 for removal of a load coil; \$528.97 for removal of a bridged tap; and, \$326.86 for removal of repeaters.<sup>200</sup>

Additionally, the record evidence shows that at least three separate incumbent carriers provide access to information regarding spare loop availability to their

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<sup>196</sup> Id. at 84.

<sup>197</sup> See Staff Initial Comments at 38.

<sup>198</sup> See Ameritech Response to Staff Data Request 29-4.02.

<sup>199</sup> See Staff Initial Comments at 39.

<sup>200</sup> See Covad Initial Comments at 7.

respective wholesale customers<sup>201</sup>. SBC/Ameritech did not dispute this fact during the evidentiary hearings nor did it offer any explanation as to what would prevent it from offering this functionality to CLECs<sup>202</sup>. This should remove any doubt as to whether Ameritech has the ability to provide the requested functionality.

Staff believes that the spare loop availability functionality is adequate enough to satisfy the immediate business concerns raised by the CLECs. Allowing the CLECs access to view all spare loops during the qualification process so they can subsequently identify a specific loop during ordering would minimize the necessity for a reservation process. Additionally, Ameritech has not clearly indicated whether it is technically feasible for it to establish and support a loop reservation functionality at this time. More importantly, Staff has serious concerns about the potential anti-competitive effects a loop reservation process may have on consumers if they are contacting different DSL providers to determine availability and price for a specific service. CLEC witnesses were presented with a series of hypotheticals during the evidentiary hearing as to the various ways in which a loop reservation process could be manipulated by CLECs in an anti-competitive fashion<sup>203</sup>. The CLECs could not offer a sufficient guarantee that anti-competitive behavior would not materialize. Nor have the CLECs proposed anywhere in the record any specific safeguards that might protect against such anti-competitive behavior in the future.

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<sup>201</sup> See *id.* at 9.

<sup>202</sup> See Tr. at 857.

<sup>203</sup> See Tr. at 860-78.

#### E. STAFF'S RECOMMENDATION

Staff, based on the evidentiary record in this proceeding, recommends the Commission require SBC/Ameritech to offer the loop availability function requested by the CLECs. Staff believes competition in the advanced services market would be enhanced since CLECs would then have the ability to better service their end-user customers. The number of loops that should be made available for viewing by the CLEC is a subject better left to negotiation amongst the parties. Should Ameritech be required by the Commission to offer the spare loop availability functionality requested by the CLECs, Staff believes that neither the loop reservation functionality or the terminal configuration information which the CLECs also seek is necessary at the present time.

#### Issue #46: Coordinated Hot Cuts

##### A. ISSUE

The process to be followed when an existing SBC/Ameritech customer is switching service to a CLEC involves two separate changes that must be made almost at the same time by the CLEC and SBC/Ameritech to ensure that the customer does not lose service. Coordinated cuts are scheduled the day of the cut over via a phone call between the two parties involved.

**NOTE:** On Friday morning, October 13, 2000, Mr. David J. Chorzempa, attorney for AT&T Comm., contacted ICC-OGC by telephone to advise that the sub-issues for issue #46 had recently changed. Due to the late notice and the fact that we have no documentation as to how the issues changed, we are not able to properly address those changes in this brief.

#### B. CLEC POSITION

The CLECs propose pre-cut testing to identify potential technical problems with a Hot Cut. The intent of the pre-cut testing is to allow the CLEC to connect the customer on the original due date even if there are problems with the loop.<sup>204</sup> Pre-cut testing should give the CLEC or the ILEC the opportunity to correct the problem prior to the due date. If the CLEC cannot fix the problem, the CLEC wants to be able to give the customer notice of the problem as well as the new cut-over date.

The CLECs disagree with SBC/Ameritech's proposal of testing the Hot Cut on the due date. The CLECs state that testing on the due date may not give them enough time to correct problems encountered in every cut-over, and if they cannot correct the problem that day, then the CLEC must apply for a new date for cut-over, thereby delaying the cut-over.

The CLECs propose that pre-cut testing take place approximately 48 hours prior to the cut-over due date.<sup>205</sup>

A remaining issue between the parties is the amount Ameritech will charge a CLEC for testing the Hot Cut. Ameritech has stated in its Initial Comments that it will

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<sup>204</sup> AT&T Initial Comments at 34.

<sup>205</sup> AT&T Initial Comments at 40.

charge “normal time and material charges”<sup>206</sup>, and at the hearings, Ameritech Witness clarified this charge as being in the range of \$17 to \$27 per hour.<sup>207</sup>

In response to Ameritech Witness’ testimony, CLEC Witness Cox suggested at the hearings that the testing process needed to be understood better before the CLECs could evaluate the cost issue. Furthermore, Witness Cox stated that perhaps no charge for the tests should be incurred by the CLECs until the testing process be “fully tested and understood.”<sup>208</sup>

### C. SBC/AMERITECH POSITION

Ameritech has made substantial changes to the coordinated Hot Cut process and procedures to address the issues raised by the CLECs. Ameritech has proposed to perform, on the cut date, not only a validation that dial tone (“DT”) exists but also an automatic numbering identification (“NT”) on an optional basis.<sup>209</sup> In response to AT&T’s request that the DT/NT tests be performed two days prior to the due date, Ameritech stated that it would do so only if all of the CLECs would agree to complete their provisioning work two days prior to the due date.<sup>210</sup> Ameritech also stated that “[w]ith the exception of AT&T, all the CLECs participating in the collaborative stated they were unable to do so”.<sup>211</sup> At the hearings, Ameritech agreed to perform such testing at the request of a CLEC.<sup>212</sup> Furthermore, Ameritech agreed that such testing

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<sup>206</sup> Ameritech Initial Comments at 61.

<sup>207</sup> Tr. at 629.

<sup>208</sup> Tr. at 650-51.

<sup>209</sup> Ameritech Initial Comments at 59-60.

<sup>210</sup> Id at 60.

<sup>211</sup> Id., but *See* also the CoreComm Response to Staff Data Request 46-5.05, which states that CoreComm will also be able to complete their provisioning work within said time frame.

<sup>212</sup> Tr. at 628.

could be requested to be performed 48 hours in advance of the Hot Cut.<sup>213</sup> Finally, Ameritech has stated, in response to AT&T's concern that Ameritech had not identified the cost to be charged to the CLECs for such testing, that such costs would be "charged at normal time and material charges."<sup>214</sup>

#### D. STAFF POSITION

**Staff's position has changed due to the resolution of certain aspects of this issue.**

Coordinated Hot Cuts (CHC) "refers to the two separate processes that must be undertaken and coordinated, to transfer the loop and to port the number successfully" in order to switch an existing Ameritech customer to a CLEC.<sup>215</sup> A failure in this process results in increased service disruption to the customer transferring its service to a CLEC. To minimize the amount of out-of-service downtime to the end-user, Ameritech and the CLEC involved in the Hot Cut must coordinate their efforts at the time of the Hot Cut and must also adequately test the cut-over process prior to its implementation.

Staff's position is that the CLEC should be able to order a pre-cut test that checks for CLEC dial tone and automatic number identification (the "DT/NT test"). At the hearings, Ameritech indicated that it had agreed to provide the DT/NT test on the day of the Hot Cut and, additionally, upon the request of a CLEC. Therefore, Ameritech agreed that if a CLEC requested a DT/NT test 48 hours in advance of the Hot Cut, Ameritech would perform the test at that time.<sup>216</sup>

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<sup>213</sup> Id.

<sup>214</sup> Ameritech Initial Comments at 61.

<sup>215</sup> AT&T Initial Comments at 34.

<sup>216</sup> Tr. at 627-29.

In its Initial comments, Ameritech had offered to test the loop on the day of the cut-over but had not agreed to perform pre-cut testing within the two day period prior to the due date of the cut-over, as requested by AT&T, unless all of the CLECs agreed to complete their provisioning work two days prior to the due date. Some of the CLECs were not able to complete the provisioning work two days in advance of the Hot Cut.<sup>217</sup> In its Initial Comments, Staff recommended that pre-order testing occur two days prior to the requested due date of the Hot Cut for two reasons. First, Ameritech did not articulate a rationale for conditioning its pre-order testing on the completion of the provisioning work of each and every CLEC. Second, Ameritech's refusal to provide a test in sufficient time to permit the CLECs to correct any discovered problems creates anti-competitive results.<sup>218</sup> Based upon Staff's understanding of the current position of the parties, namely that Ameritech will provide a DT/NT test 48 hours in advance of the Hot Cut, at the request of a CLEC, Staff believes that Ameritech has accepted its' recommendation and that this is no longer an issue between the parties.

A remaining issue between the parties is the amount Ameritech will charge a CLEC for these testing functions. Ameritech has stated in its Initial Comments that it will charge "normal time and material charges."<sup>219</sup> At the hearings, the Ameritech Witness clarified this charge as being in the range of \$17 to \$27 per hour.<sup>220</sup>

In response to the testimony of the Ameritech Witness, CLEC Witness Cox suggested at the hearings that the testing process needed to be understood better before the CLECs could evaluate the cost issue and furthermore, that perhaps no

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<sup>217</sup> See AT&T Initial Comments and CoreComm Response to Staff Data Request 46-5.05.

<sup>218</sup> See Staff Initial Comments at 42.

<sup>219</sup> Ameritech Initial Comments at 61.

<sup>220</sup> Tr. at 629.

charge for the tests should be incurred by the CLECs until the testing process be "fully tested and understood."<sup>221</sup> Staff agrees that the testing process, and the charges to be incurred by the CLECs in connection therewith, should be clarified to permit the Commission to determine if such charges are proper.

Staff finds it reasonable that, if the testing uncovers problems due to the CLECs' systems, Ameritech may charge its' actual "out of pocket" expenses for this testing; provided, however, Staff recommends that Ameritech be required to give the CLECs an estimate of such charges (with more specificity than the "normal time and material charges" suggested in Ameritech's comments and at the hearings and providing a detailed account of the work to be performed). If possible, Staff recommends that this estimate be given within 30 days after the resolution of the issue in this arbitration. If an estimate must be made on a case by case basis, Staff recommends that Ameritech provide an estimate promptly after a CLEC request for performance of a DT/NT test. If during testing, the problems that are uncovered are determined to be Ameritech's responsibility, then no charge would be applied to the CLEC.

#### E. STAFF'S RECOMMENDATIONS

Staff recommends that pre-order testing occur two days in advance of the requested due date of the Hot Cut. Ameritech's current proposal to perform DT/NT testing, at the request of a CLEC (which request may include such test to be performed 2 days in advance of the Hot Cut), satisfies Staff's recommendation. With respect to the issue regarding the cost of such tests, if the testing uncovers problems due to the CLECs' systems, Staff recommends that Ameritech be permitted to charge its actual

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<sup>221</sup> Tr. at 650-51.



"out of pocket" expenses for this testing; provided, however, that Ameritech gives the CLECs an estimate of such charges (with more specificity than the "normal time and material charges" suggested in Ameritech's comments and at the hearings and providing a detailed account of the work to be performed). If possible, Staff recommends that this estimate be given within 30 days after the resolution of the issue in this arbitration. If an estimate must be made on a case by case basis, Staff recommends that Ameritech provide an estimate promptly after a CLEC request for performance of a DT/NT test. If during testing, the problems that are uncovered are determined to be Ameritech's responsibility, Staff recommends that no charge be incurred by the CLEC.

**Issue # 73(a): UNE -P -- New and Additional Lines**

**A. ISSUE**

**Whether SBC/Ameritech is required to provide UNE-P to new customers or customers ordering additional lines.**

**B. CLEC POSITION**

With respect to the Unbundled Network Element Platform (UNE-P) product offered by Ameritech, known as "Combined Platform Offering" ("CPO"), CLECs state that they need clarification concerning the terms and conditions under which that product will be made available. They state that SBC/Ameritech will not allow them to purchase CPO for the purpose of serving new customers who have just moved to